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Montserrat

Working paper prepared by the Secretariat

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I. General

1. Montserrat[1] is situated in the Leeward Islands in the eastern Caribbean, 43 kilometres south-west of Antigua and 64 kilometres north-west of the French Overseas Department of Guadeloupe. It has a maximum length of 18 kilometres and a maximum width of 11 kilometres and covers an area of 103 square kilometres. The capital of Montserrat is Plymouth.

2. Montserrat is mountainous and of volcanic formation. In July 1995, Soufriere Hills volcano, dormant for more than 400 years, erupted, causing evacuation of more than a third of Montserrat's population from the southern part of Montserrat to its northern "safe" areas in August 1995. According to the latest statistical information available, the population of Montserrat was 10,581 in 1995. [2]

3. As of May 1997, in the second year of intensive volcanic activity, the Territory is facing an uncertain future with a substantial part of its population relocated and its economy disrupted.

II. Constitutional and political developments

4. Information on constitutional developments in the Territory is contained in a previous working paper prepared by the Secretariat (A/AC.109/2019, paras. 5-16).

5. General elections to the seven-member Legislative Council were held in the Territory in November 1996 and proved inconclusive. The composition of the Government and the opposition was decided following several days of consultations, resulting in a four-member majority and a three-member opposition. The coalition Government was made up of new Chief Minister Bertrand Osbourne of the Movement for National Reconstruction, former Chief Minister Reuben Meade of the National Progressive Party, Adelina Tuitt of the Movement for National Reconstruction and Rupert Weeks, an independent candidate.

6. The new Chief Minister was given the responsibility for finance and economic development, while Adelina Tuitt is responsible for education, health and community services. Reuben Meade was given the responsibilities of Minister of Agriculture, Trade and Environment and Rupert Weeks was given the portfolio of communications and works.[3]

7. Chief Minister Osbourne indicated that his concentration would be on the improvement of the standard of living and better economic conditions in the Territory in the face of the current crisis. [4]

8. In April 1997, Minister Reuben Meade was dismissed. With his dismissal as Minister and transfer to opposition benches, the Government could have been left holding only three of the seven elected seats in the Legislative Council. To avoid this situation, and a possible return to the polls, independent opposition member David Brandt agreed to support the Government, though he would not serve as a minister. Mr. Austin Bramble, a nominated member of the Legislative Council and the leader of the Movement for National Reconstruction, became the new Minister of Agriculture, Trade and Environment. Although it is unusual for Montserrat for a nominated member to serve as a minister, it is allowed under the Constitution. [5]

III. Economic conditions

9. According to the information provided by the administering Power, the ongoing volcanic crisis has continued to impact negatively throughout 1996 on the economic climate in the island. The fall in private investment has resulted in a significant decrease in the Government's revenues and an escalation in the unemployment rate from the normal levels of 10 per cent to approximately 20 per cent.

10. To counteract these problems as well as to meet certain social and infrastructural needs arising from the present crisis, the Government of Montserrat has pledged its support for the development of the north, the designated "safe zone" of the island.

11. Seismic activity and ash falls forced the evacuation of a large percentage of residents to the safe zone on two occasions during 1996. This resulted in significant economic disruption in Montserrat. The relocation of the American University of the Caribbean and the considerable decline in tourism both had serious implications for the distribution trade, banking and personal services. The gross domestic product (GDP) recorded negative growth for 1996, with an increase in inflation to 4.43 per cent.[6]

12. The Government's Public Sector Investment Program was also impacted by the volcanic crisis, following strong activity at the beginning of 1996 with projects such as the new Government Headquarters building, road reconstruction, preparatory work on the airport and electricity expansion projects.

13. In April 1996, a third evacuation after renewed activity from the volcano further compounded economic and social problems on the island. The administering Power has provided over £3 million to assist Montserrat in relocation efforts and rebuilding of the economy, with aid also coming from the Government of Canada, Barclays Bank, the Royal Bank of Canada, various airline companies and several relief agencies. A Governor's appeal fund has been set up to help coordinate donations. The administering Power introduced special immigration concessions, allowing Montserratians to work and obtain income support and housing benefits in the United Kingdom for up to two years. Likewise, the Organization of Eastern Caribbean States (OECS) waived work permit requirements for Montserratians interested in relocating and seeking employment in member countries.[7]

14. The administering Power announced that it would give Montserrat £25 million in aid, in addition to £8.5 million already committed since the start of the emergency, to develop facilities in the north of the island and maintain public services until 1998. The funds would be used to upgrade the temporary hospital facilities, schools and roads, to improve water distribution and electricity generation, as well as fund alternative port facilities. Hospital improvements costing 3 million European currency units (ECU) were due for completion in March 1997 and it was announced that seven schools would be built at a cost of ECU 5.8 million.[8]

15. In agriculture, the Government continued to encourage diversification and increased productivity of food crops, both for domestic consumption and export. Currently, the agricultural sector accounts for under 10 per cent of GDP. Substantial ash fall in agricultural area during the volcanic crisis caused damage to crops and the relocation of farmers from these areas adversely impacted the production and sale of crops and livestock. It is estimated that around 70 to 85 per cent of Montserrat's food is produced in the threatened areas.[9]

16. There have been clear signs of recovery in the manufacturing sector, with increased production and exports reflecting in large measure the advantage being taken of the island's preferential access to European Union markets. Mainly composed of rice and electronics components destined for Europe and the United States, domestic merchandised exports totalled $11.4 million by the end of 1996. Plastic furniture exported to the Caribbean Community (CARICOM) market also represented a significant portion of exports.

17. The dominant factor in the manufacturing sector was a rice milling factory which opened in 1995. Like Plymouth Port, the facility has remained open, with production and exports continuing throughout the crisis and providing a major impetus to sustained economic activity. However, the European Union's recent decision to impose quotas on Caribbean rice imports in the first quarter of 1997 poses a threat to one of the island's few remaining viable industries and might affect other Caribbean rice producers who export to Montserrat.[10]

18. In his first budget address in the Legislative Council on 24 April 1997, the Chief Minister and Minister of Finance, Bertrand Osbourne, indicated that notwithstanding the volcanic activity, the Territory continued to receive applications for incentives. During 1996, requests for business and investment-related information were received from 19 American and European companies. Fiscal incentives were extended to seven businesses, two of which were new ventures. Recently, a study was undertaken to identify all the Government's fees, charges, levies and taxes. It is envisaged that the information gained from the study and the related recommendations would enable Government to formulate an even more attractive and effective fiscal policy. However, the main thrust of Chief Minister's address was that Montserrat was seeking further assistance from the administering Power in the amount of ECU$27.26 million, which represents 47 per cent of total recurrent revenues of the island.[11]

IV. Social and educational conditions

19. According to information provided by the administering Power, at present in Montserrat there are 6 nursery schools with 225 children, 4 government and 2 private primary schools with total of 964 students, 1 government and 1 private secondary school with total of 740 students, and Montserrat Technical College with 45 students. Sixty-two per cent of school buildings are located in the unsafe zone and are unavailable for education. During the early stages of the volcanic crisis, the Ministry of Education was forced to use dwelling houses, restaurants, tents and a bar for schools. Construction is currently in progress to provide additional education facilities in the designated safe area.

20. According to information provided by the administering Power, medical services on Montserrat are provided mainly by the Government and to a lesser extent by a few private physicians. At present, the Government of Montserrat has five district clinics where outpatient care is provided by Government physicians free of cost to patients under 16 and over 60 years of age or people with diabetes

and hypertension. The hospital p .macy provides free essential medication to these patients. There is one government-owned hospital in the island. There was a 65-bed hospital in Plymouth with 36-bed geriatric annex; because of the volcanic crisis, however, that hospital, as well as seven of the district clinics were closed. Health care is provided by a temporary hospital in St. John's with a capacity of 30 beds and 40-bed geriatric annex.

21. According to crime statistics provided by the administering Power, there were 344 criminal offences recorded in the Territory in 1996.

V. Assistance provided by the United Nations

22. United Nations assistance to Montserrat is provided mainly through the United Nations Development Programme (UNDP). UNDP maintains programmes of technical cooperation with five non-self-governing territories of the Caribbean, including Montserrat. While the extent and focus of these programmes vary from one territory to another, they are all in general executed in conformity with UNDP Guidelines for the Implementation of successor programming arrangements and relevant decisions of the UNDP Executive Board, particularly those concerning the focus and allocation of assistance under each programming cycle, as well as with relevant resolutions of the United Nations General Assembly.

23. The new thrust of UNDP's successor programming arrangements under the fifth and sixth cycles, with emphasis on the promotion of sustainable human development, continues to be guided by decisions 95/22 and 95/23, both of 16 June 1995, of the UNDP Executive Board, which together endorse the following areas for pursuing technical cooperation: (a) social development and poverty eradication; (b) job creation and sustainable livelihoods; (c) governance, participation and the empowerment of women; and (d) protection of the environment and natural resource management.

24. UNDP's resource limitations have influenced the need to prioritize the allocation of assistance largely according to the criteria of per capita income, population size and levels of development of recipient countries. As of the start of the sixth cycle cooperation framework (1997-1999), therefore, all of the dependent territories of the Caribbean that maintain technical cooperation programmes with the organization have attained the status of net contributor countries. Montserrat has been allocated a target for resource assignments from core (TRAC) earmarking under line 1.1.1. for the sixth cycle of $73,000, on a fully reimbursable basis, in accordance with paragraph 21 of UNDP Executive Board decision 95/23.

25. In addition to their TRAC earmarking, some of the dependent territories benefit from the Caribbean component of UNDP's Regional Programme for Latin America and the Caribbean. In particular, given its membership in the Organization of Eastern Caribbean States (OECS), Montserrat will continue to benefit, as it did in the fifth cycle, from the Caribbean Multi-Island Programme. Access to other facilities such as technical cooperation among developing countries (TCDC) and the Partners in Development Programme could also provide benefits for Montserrat.

26. UNDP's support to Montserrat, which presented a special case for assistance during most of the fifth cycle as a result of the ongoing volcanic eruption, initially focussed on the development and implementation of policies and programmes in environment and natural resources management and in strengthening institutional capacity in this area. Some of the inputs were directed towards physical planning, liquid and solid waste management and disaster planning and management, among other things. However, the continuing crisis necessitated a complete shift in the direction of external aid to the provision of emergency relief. UNDP, in addition to supporting critical gaps in the emergency phase, has also provided support for longer-term resettlement efforts. It is anticipated that this need will continue in much of the current sixth cycle as a consequence of this crisis. The permanent relocation of the capital and a significant proportion of the population to a safer part of the island is envisaged in this context. These circumstances would, more likely than not, require a re-examination by the UNDP Executive Board of Montserrat's net contributor country status as a result of the severe adverse impact on the island's economy and society.[12]

VI. Participation in regional organizations and arrangements

27. The Territory continues to be a member of CARICOM and OECS, as well as of the institutions associated with both groups, including the University of the West Indies, the Caribbean Development Bank (CDB) and the Eastern Caribbean Central Bank (ECCB). Montserrat is an associate member of the Economic Commission for Latin America and the Caribbean (ECLAC) and its subsidiary bodies. The Territory is represented at the meetings of the Caribbean

Group for Cooperation in Economic Development, sponsored by the World Bank.

VII. Future status of the Territory

Position of the territorial Government

28. The position of the territorial Government on the future political status of Montserrat was outlined in a previous working paper on the Territory prepared by the Secretariat (A/AC.109/1137, paras. 13-16).

Consideration by the General Assembly

29. A summary of the position of the administering Power towards its dependent Territories is contained in previous working papers prepared by the Secretariat (A/AC.109/1137, para. 17; A/AC.109/1180, paras. 30-36; and A/AC.109/2043, paras. 41-43. For statements made during the fifty-first session of the General Assembly, see document A/AC.109/2071, para. 36).

30. On 27 March 1997, the General Assembly adopted resolution 51/224 B, a consolidated resolution on 12 non-self-governing territories, section VII of which was specifically devoted to Montserrat.

VIII. Situation following the eruption of Soufriere Hills volcano

31. Information on developments immediately following the eruption of Soufriere Hills volcano is contained in a previous working paper prepared by the Secretariat (see A/AC.109/2052, paras. 18-28).

32. Since it first erupted on 18 July 1995, Montserrat's Soufriere Hills volcano has dramatically changed life in the Territory. A third of the island's population has been relocated to the safe zone in the north of the Territory, to neighbouring islands or back to the United Kingdom. Unemployment has risen from 5 per cent to 50 per cent and many of the remaining 7,000 people continue to receive public assistance. The volcano frequently blasts ash into the air and sends rivers of hot rock and gas down its flanks. Huge areas around the steaming crater are denuded, the vegetation seared by rock or smothered by sulphurous gas. Frequent rains of acidic ash and flows of volcanic rubble have severely damaged Plymouth, the now-abandoned capital of the island, seat of government and heart of the Montserrat community. The volcano has driven many residents to the brink of poverty because people forced from the danger zone were still paying mortgages on evacuated and damaged homes.[13]

33. In October 1996, a new system of detailed zoning and stages of alert was developed by scientists at the Montserrat Volcano Observatory, in order to make it easier for residents to know what to expect and what to do in various scenarios. The stages of alert range from white (little or no activity) through yellow, amber, orange and red to purple (continuous explosive eruption). The alert level varied between amber, orange and red during the intervening months, being mostly orange until very recently, when it was reduced to amber in March 1997.

34. The island was divided into seven zones, ranging from zone A, the most hazardous (closest to the volcano) to zone G, the safest (the far north of the island). In between these two extremes, the other zones radiated outwards and northwards from the volcano in order of safety. For each zone there were specific instructions regarding actions to be taken for each stage of alert. During the intervening months, this system has remained in place, although the map was redrawn from time to time to reflect the changing situation. In particular, zones A and B were combined to include most of the "unsafe zone", including all southern and eastern areas as well as Plymouth. For most of the time the level remained at orange.[14]

Notes

[1] The information contained in the present paper has been derived from published reports and from information transmitted to the Secretary-General by the Government of the United Kingdom of Great Britain and Northern Ireland under Article 73 *e* of the Charter of the United Nations on 13 March 1997. The facts and figures presented in the working paper are the latest information available.

[2] *1997 Caribbean Basin Commercial Profile*, p. 267.

[3] *Reuters*, 13 November 1996.

[4] *The Associate*, 1 February 1997.

[5] *The Caribbean Week*, 29 March-11 April 1997

[6] *1997 Caribbean Basin Commercial Profile*, p. 266.

[7] Ibid.

[8] *The Caribbean Handbook 1997/98* (BVI), 1997, p. 168.

[9] Ibid.

[10] *The Caribbean Week*, 15-28 March 1997.

[11] *The Montserrat Reporter*, 25 April 1997.

[12] Information provided by UNDP in April 1997.

[13] *Reuters*, 13 February 1997.

[14] *The Caribbean Week*, 15-28 March 1997.